

**BYLAWS**  
**OF**  
**CALIFORNIA ATTORNEYS, ADMINISTRATIVE LAW JUDGES AND HEARING OFFICERS IN STATE EMPLOYMENT ("CASE")**

A California Nonprofit Mutual Benefit Corporation

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**ARTICLE I**  
**LOCATION OF OFFICES**

The name of this corporation is the CALIFORNIA ATTORNEYS, ADMINISTRATIVE LAW JUDGES AND HEARING OFFICERS IN STATE EMPLOYMENT ("CASE"). It is a California nonprofit mutual benefit corporation with principal offices in Sacramento, California.

**ARTICLE II**  
**PURPOSE**

This corporation is a nonprofit Mutual Benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

The specific purposes of this corporation are:

1. To promote the employment and professional interests of persons who are employed by the State of California as attorneys, administrative law judges, hearing officers and other State Bargaining Unit 2 employees;
2. To further the common good and general welfare of the people of the State of California by informing the State Constitutional Officers, the Agency and Department heads, the Legislature and the public regarding the significant role played by attorneys, administrative law judges, deputy commissioners and other Unit 2 employees in state government in preserving and maintaining justice and the general welfare of all Californians;
3. To improve the salaries, benefits and working conditions of state Bargaining Unit 2 employees through the negotiation, administration and enforcement of collective bargaining agreements with the State of California;
4. To represent its members, both individually and collectively, before the Legislature, administrative agencies and judicial bodies on employment related

issues;

5. To provide benefits to its members;
6. To promote the professional interests of all Unit 2 employees through increased training, improvements to the promotional process, meaningful continuing education standards, and reasonable bar dues; and
7. To engage in any other lawful activities permitted under the California Nonprofit Mutual Benefit Corporation Law.

### **ARTICLE III MEMBERSHIP**

#### **Section 3.01 Members.**

The members of this corporation shall consist of those who have complied with the requirements set forth in Section 3.02 of this Article, have properly presented themselves for membership in accordance with the procedures determined by the Directors, have paid all dues and assessments, and who have been enrolled as members on the membership roster. Membership in this corporation shall not vest in any member any distributions from the corporation during the existence of the corporation and shall only entitle the member to vote on matters brought before the members. Membership is not transferable.

#### **Section 3.02 Requirements for Membership.**

- a. **Members.** Any state employee as defined in Government Code Section 3513 (c), and with a collective bargaining designation (CBID) of R02 shall be eligible to become a Member of CASE. To become a Member, the employee must make a written application using the form or portal approved by the Board. All Members shall be entitled to participate in CASE sponsored insurance and benefit programs if eligibility criteria for participation in each such program is met.
- b. **Supervisory Members.** Any state employee as defined in Government Code Section 3513 (c), and with a state civil service classification designated supervisory (S02), shall be eligible to a Supervisory Member of CASE. Supervisory Members are not eligible to participate in elections for CASE's Board of Directors, nor entitled to vote on ratification of any Memorandum of Understanding entered into by CASE, or any other referendum election held by CASE. Supervisory Members shall be entitled to participate in CASE sponsored insurance and benefit programs if eligibility criteria for participation in each such program is met. Dues for a Supervisory Member shall be the same as for a Member as defined in Section 3.02(a)

- c. **Associate Members.** Any state employee who is in a classification related to Unit 2 and designated as management (M02), exempt (E02), or who is otherwise excluded from coverage by the Ralph C. Dills Act, or who promotes into or is appointed to such classification, is eligible to become an Associate Member. An Associate Member shall not be eligible to participate in elections for CASE's Board of Directors, nor shall an associate member be eligible to vote on any Memorandum of Understanding entered into by CASE or any other referendum election held by CASE. An Associate Member shall be eligible to participate in all CASE insurance and benefit programs if eligibility criteria for participation in each such program is met. Dues for an Associate Member shall be the same as for a Member as defined in Section 3.02(a)
- d. **Retired Members.** Any person who retires from a state civil service classification and was a member of CASE upon the date of retirement shall be eligible to become a Retired Member of CASE. A retired annuitant shall be eligible to be a Retired Member. A Retired Member shall not be eligible to participate in elections for CASE's Board of Directors, nor shall a Retired Member be eligible to participate in any ratification election for any Memorandum of Understanding entered into by CASE or any other referendum election held by CASE. A Retired Member shall be eligible to participate in any CASE sponsored insurance and benefit programs, if eligibility criteria for participation in each such program is met. Dues for a Retired Member shall be the set by the Board pursuant to Section 3.04 of this Article.
- e. **Life Members.** Any employee who retires from a state civil service classification, was a member of CASE on the date of retirement, and who distinguished him or herself through long or exemplary service to CASE, shall be eligible to become a Life Member of CASE at the sole discretion of the Board of Directors. A Life Member shall not be eligible to participate in elections for the Board of Directors, nor shall a Life Member be eligible to participate in any ratification election for any Memorandum of Understanding entered into by CASE or any other referendum election held by CASE. A Life Member shall be eligible to participate in any CASE sponsored insurance or benefit programs, if eligibility criteria for participation in each such program is met. A Life Member shall be exempt from paying dues and/or assessments.
- f. **Honorary Members.** Any person not otherwise eligible for membership in CASE under any other category shall be eligible to become an Honorary Member at the sole discretion of the Board of Directors. An Honorary Member shall be exempt from paying any dues or assessments, shall be ineligible for any rights or privileges of any other membership category, and shall be ineligible to participate in any CASE sponsored insurance or benefit program.
- g. Unless otherwise specifically provided herein, only Members as defined in Section 3.02(a) may vote. Those admitted as members in any other capacity

(Supervisory, Associate, Retired, Life and Honorary Members) shall not constitute a legislative body to pass resolutions binding upon the corporation. Such members shall have no vote, shall have no equity interest in the property in the corporation, and shall have no rights to vote upon its disposal.

### **Section 3.03 Application for Membership.**

Any eligible person, desiring to be a Member as defined in Sections 3.02(a), (b), (c), or (d), shall make written application for membership on the forms adopted by the Board for that purpose. Upon authorization of the payment of dues, fees and assessments then established by the Board (see Section 3.04), said person shall become a member. Each member shall be responsible for notifying the corporation of the address and email address the member wishes the corporation to use for purposes of notice, ballots, etc.

### **Section 3.04 Dues and Membership Fees.**

Dues for Members as defined in Section 3.02 shall be established by the Board. Additional assessments may be levied by the Board from time to time.

Dues are due and payable at the end of each monthly pay period. Dues are collected by the State Controller and remitted directly to the corporation on a monthly basis.

### **Section 3.05 Removal of Members.**

Membership of any member shall cease upon the happening of any of the following events:

- a. The member's death or resignation in a written communication to CASE.
- b. The failure of the member to pay his or her dues or assessments in a timely fashion (e.g. within thirty (30) days of the due date).
- c. The member no longer qualifies for membership (if a member ceases to qualify as a Member, but qualifies as a Supervisory, Associate or Retired member, he or she may convert his or her membership, providing he or she continues to pay the appropriate level of dues).

On a determination by a two-thirds (2/3) vote of the directors that the member should be expelled or suspended, or his or her membership terminated or suspended for any reason stated above other than death or resignation, the following shall occur:

A minimum 15 days prior notice of the expulsion, suspension or termination and the reasons therefor shall be given to the member. If the member does not pay the dues or assessments, or otherwise contact the corporation within ten (10) days of the notice to

protest the removal, the member shall be removed from the membership list.

If the member timely files a protest, the member shall be given an additional five (5) days to present a written explanation/objection for presentation to the directors. Thereafter the directors shall consider the written explanation/objection prior to making a final decision on whether or not the member shall be removed, and shall notify the member accordingly.

All notices required under this section shall be given by electronic transmission, or by first-class or registered mail, sent to the last address of the member, as shown on the corporation's records.

### **Section 3.06 Place of Meetings.**

Notwithstanding anything to the contrary in these Bylaws, any meeting whether regular, special or adjourned of the members of this corporation may be held at any place within California which has been designated by the Board of Directors ("Board").

### **Section 3.07 Annual Meetings.**

Matters normally transacted at an annual meeting of the members, shall be conducted by written or electronic ballot pursuant to Section 3.12 of these Bylaws.

### **Section 3.08 Special Meetings.**

Special meetings of the members may be called at any time by order of the President or of the Vice President or of the Secretary, or of a majority of the Members as defined in Section 3.02(a) or of the Board. Any matter that may be transacted at a special meeting of the members, may be conducted by written or electronic ballot pursuant to Section 3.12 of these Bylaws.

### **Section 3.09 Notice of Special Meetings.**

Notice of special meetings of members shall be given by electronic transmission, or personally, or by mail or other means of written communication, addressed to a member at the address of the member appearing on the books of the corporation or given by the member to the corporation for purpose of notice. If given by electronic transmission, personally, or by mailing by first class, registered or certified mail, a notice of the meeting shall be given at least ten (10) days before the time fixed for holding the meeting; if given by any other method a notice shall be given at least twenty (20) days before the time fixed for holding the meeting.

Notice of any meeting of members shall specify the place, the day and the hour of meeting, and in case of a special meeting as provided by the Corporations Code of California, the general nature of the business to be transacted.

### **Section 3.10 Quorum.**

For a meeting conducted by ballot pursuant to Section 3.12, those members who return the ballot in the manner required by the notice of election shall constitute a quorum for the transaction of business. If a live meeting of the members is held, whether regular, special or adjourned, one-third (1/3) of the Members as defined in Section 3.02(a) shall constitute a quorum for the transaction of business.

### **Section 3.11 Waiver and Consent.**

The transaction of any meeting of members, however called or noticed shall be as valid as though conducted at a meeting duly held after regular call and notice, if a quorum is present, and if either before or after the meeting, each of the members, not present in person, signs a written or electronic waiver of notice or a consent to the holding of such meeting, or an approval of the minutes of the meeting.

Any action that may be taken at a meeting of the members, may be taken without a meeting if authorized by all the members who would be entitled to vote at a meeting for such purpose, and filed with the Secretary of the Corporation.

### **Section 3.12 Action without Meeting/Ballots.**

- a. Any action required or permitted to be taken at any regular or special meeting of members may be taken without a meeting if the written or electronic ballot of every member is solicited, if the required number of signed approvals, setting forth the actions so taken is received, and if the requirements of subdivision c. of this section are satisfied.
- b. All solicitations of ballots shall indicate the time by which the ballot must be returned to be counted.
- c. Approval by written or electronic ballot pursuant to this section shall be valid only when the number of ballots cast on or before the time the ballot must be returned to be counted equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the action at a meeting at which the total number of votes cast was the same as the number of ballots cast.

### **Section 3.13 Electronic Transmission.**

Any notice required by these bylaws may be made by the corporation by electronic transmission.

The notice must state the place, date and time of the meeting, and/or the means of

electronic transmission by and to the corporation by which the member may participate.

### **Section 3.14 Special Rules for Election of Directors and Officers.**

- a. **Schedule.** The Board of Directors shall adopt and publish an annual election schedule in conformance with the following guidelines:
  - i. On or before July 15 of each year, the election schedule, nomination procedures, and election procedures, shall be published on the CASE website. In addition, the Secretary may provide each member or cause to be provided to each member written notice of the schedule and procedures.
  - ii. All nominations must be received by the CASE Office in Sacramento, no later than August 31 by 5:00 PM PDT. If a potential candidate wishes to withdraw their candidacy and to have their name removed from the ballot, they must inform the CASE Office as defined in the CASE Policy Manual within 5 business after August 31.
  - iii. A list of all eligible candidates will be published on the CASE website by the first Friday of September.
  - iv. Candidate statements are due no later than 14 days prior to the sending of ballots to members.
  - v. At least 21 days prior to the date set for the counting of the ballots, the ballots and candidate statements shall be sent via mail or electronically via email to members.
  - vi. The voting period shall end on the first Friday in November at 5:00PM local time. Ballots received after the deadline will be rejected.
  - vii. The newly elected Directors shall take office on the tenth day following the counting of the ballots and the Board shall have its next meeting on or prior to the last day of November.
- b. **Nominations/ Ballots.** The Elections Committee, as defined in Section 5.05(e), may seek out prospective candidates and determine their willingness, availability and desire to serve. The committee will report its recommendations, if any, by the last Friday in August to the Secretary, who will enter their names on the ballot.

The Secretary shall also enter on the ballot the names of any active member who otherwise meets the requirements to serve, if that member is nominated, in writing, by at least five active members of CASE, provided that the written nomination is also signed by the nominee and is delivered to the Secretary at the

main CASE office by August 31 by 5:00 PM PDT.

Any candidate may run as a Director or, in the odd-numbered years, either as a Director, as a Director/Officer (naming the specific officer position sought), or for both positions; provided that if a candidate is running for both positions, there shall be a separate nomination made for each alternate position.

The order of candidates on the ballot for each office shall be determined by lots or random electronic draw.

- c. **Campaigning.** Each candidate for election shall be entitled to have a one-page (8 ½ x 11") Candidate's Statement to be distributed with the ballots, at no cost to the candidate, provided the statement is timely delivered to the Corporation.

In accordance with Corporations Code Section 7525, CASE need not distribute any campaign materials that may expose CASE, its agents, officers, or directors to liability for material contained in said statements.

- d. **Election.** If a candidate runs both for a Director, and for a Director/Officer position, and the candidate is elected to both positions, then he/she shall have won election to the Director/Officer position, and the votes cast for him or her for the Director position shall be considered null and void.

If, at the time of the counting of the ballots, a candidate for a position as a Director/Officer is currently a Director whose term does not expire until the next year and the candidate is successfully elected to a new term as a Director/Officer, then his or her Director position shall be vacated and shall be filled for the remainder of the term by the unsuccessful candidate with the highest vote totals for the Director positions in the current election.

If, during the election period, there is a vacancy in the position of a Director whose term does not otherwise expire until the next year, the position shall be filled for the remainder of the term by the unsuccessful candidate with the next highest vote totals for the Director positions in the current election.

In the event two or more candidates receive the same number of votes for a Director or Director/Officer position, the outcome shall be determined by the drawing of lots or random electronic draw. Such drawing shall be conducted in accordance with procedures established by the Elections Committee as soon as practicable after the tally of ballots is reported to the Secretary.

Any candidate who fails to be elected may file a written challenge with the Board of Directors at the Sacramento CASE office, either by mail or by e-mail. The challenge must be received by CASE no later than ten (10) calendar days after the candidate was mailed a tally of ballots showing the outcome of the election.



The challenge shall set forth all objections to the election and the remedy requested by the challenger. The Board of Directors shall use whatever means it deems necessary to investigate the challenge, and shall issue a final and binding decision on such challenge no later than its second meeting after having received the written challenge.

- e. **Responsibility.** The election process shall be under the general supervision of the Elections Committee. The Secretary shall be responsible for all notices, distributions, printings and mailings except for the distribution, collection and tallying of ballots. The official distribution, receipt, and tallying of ballots shall be conducted by non-members who are disinterested in the results of the election. The results of the balloting shall be reported to the Secretary, who shall certify them and report them to the Board and to the membership.

### **Section 3.15 Voting Rights.**

Only persons whose names stand on the membership records of the corporation as Members as defined in Section 3.02(a) on the date specified by the Board, which shall not be less than 45 nor more than 90 days prior to any action to be taken by members and who maintains his or her active membership in good standing, at least through the date by which the action is approved, shall be entitled to vote.

For the annual elections, a person must have submitted a membership application to the CASE office in Sacramento by 5:00PM PDT on the date set by the Board, must have authorized payment of dues, and must maintain an active membership in good standing at least through the first Friday in November. Non-members (those who qualify to be Members) shall be notified of this requirement on or before the first day of August of each year by notice posted on the corporation's website and by any other manner deemed appropriate by the Board.

Every Member as defined in Section 3.02(a) entitled to vote at any election for Directors shall be entitled to one vote. If more than one Director is to be elected, every Member is entitled to vote for each open position.

### **Section 3.16 Proxies.**

Voting by proxy is not permitted.

### **Section 3.17 Powers Reserved to the Members.**

In addition to any powers of the members specifically set forth in these Bylaws or reserved to the members by the Corporations Code of the State of California, this Corporation may not affiliate with any other labor organization without a two-thirds (2/3) vote of all Members as defined in Section 3.02(a). Notwithstanding anything else in these bylaws, this provision may not be changed without a two-thirds (2/3) vote of all

Members as defined in Section 3.02(a).

## **ARTICLE IV DIRECTORS**

### **Section 4.01 Powers.**

Subject to limitations of the Articles and these Bylaws and of pertinent restrictions of the Corporations Code of the State of California, all the activities and affairs of the corporation shall be exercised by or under the direction of the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

- a. To select and remove all the subordinate officers, agents and employees of the corporation, prescribe such duties for them as may not be inconsistent with law, with the Articles of Incorporation, or with these Bylaws, fix the terms of their offices and their compensation and in their discretion require from them security for faithful service.
- b. To make disbursements from the funds and properties of the corporation as are required to fulfill the purposes of this corporation as are more fully set out in the Articles of Incorporation, and generally to conduct, manage and control the activities and affairs of the corporation and to make rules and regulations not inconsistent with law, with the Articles of Incorporation or with these Bylaws, as they may deem best.
- c. To adopt, make and use a corporate seal and to alter the form of such seal from time to time as they may deem best.
- d. To borrow money and incur indebtedness for the purposes of the corporation and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.
- e. To carry on a business in any manner consistent with the requirements of the California Nonprofit Mutual Benefit Corporation Law.

### **Section 4.02 Number of Directors.**

The authorized number of Directors of the corporation shall be fifteen (15) until changed by an amendment of the Articles of Incorporation or by an amendment to these Bylaws. The number may be changed by the vote or written assent of a majority of a quorum of Members as defined in Section 3.02(a).

#### **Section 4.03 Selection and Tenure of Office.**

The President, Vice President, Secretary and Treasurer of this corporation shall serve as Directors by virtue of their positions. These Director/Officers, and four (4) other Directors shall be elected every odd-numbered year, in the manner described in Section 3.14. The remaining seven (7) Directors shall be elected every even-numbered year in the manner described in Section 3.14. Each Director shall serve for a period of two (2) years and until a successor has been elected and qualified.

#### **Section 4.04 Qualifications.**

Each Director must be a Member as defined in Section 3.02(a), who is a fulltime state employee.

#### **Section 4.05 Suspension of a Director.**

Any Director (including a Director who is also an Officer, in which case any suspension would be from both positions) may be suspended from office for malfeasance. Suspension shall be effective immediately upon an affirmative vote of at least five members of the Executive Committee or a two-thirds (2/3) vote of the Board, not including the subject Director. Any suspension imposed by the Executive Committee shall continue until the next regularly scheduled Board meeting unless it is lifted by a unanimous vote of the Executive Committee. Any suspension shall be lifted at the next regularly scheduled board meeting unless two-thirds (2/3) of the members of the Board vote to continue the suspension.

#### **Section 4.06 Removal of Directors.**

A Director (including a Director who is also an Officer, in which case any removal would be from both positions) may be removed from office if any of the following has been found to have occurred:

- a. The Director misses three (3) or more consecutive board meetings or three (3) regularly scheduled meetings in a calendar year without cause.
- b. Two-thirds (2/3) of the Directors who meet the qualifications set forth in Section 4.04 determine that the Director has not continued to meet these qualifications.
- c. An undisclosed and/or unapproved conflict of interest is found to exist between the Director and the corporation.
- d. The Director is found to have engaged in activities that are directly contrary to the interests of the corporation.
- e. The Director is found to be engaged in the misrepresentation of the corporation

and its policies to outside third parties, either willfully, or on a repeated basis.

Before any such removal occurs, the Director will be advised of the allegation and the basis for the same, and will be given an opportunity to present any contrary evidence, or explanation he or she may have to the Board. Removal must be by a two-thirds (2/3) vote of all of the Directors other than the Director being removed.

In addition, unless the Director is being removed for failure to attend meetings, or for failure to meet the qualifications of a Director, or for misconduct involving assets of the corporation, a vote of the Members as defined in Section 3.02(a) must also be obtained.

#### **Section 4.07 Resignation of Directors.**

Any Director may resign effective upon giving written notice to the President, or the Secretary of the Board, unless the notice specifies a later time for the effectiveness of the resignation.

If the resignation is to take effect at some future time, a successor may be selected before such time, to take office when the resignation becomes effective.

#### **Section 4.08 Vacancies.**

Vacancies in the Board shall be filled in the same manner as the Director(s) whose office is vacant was selected, provided that vacancies to be filled by election by Directors may be filled by a majority of the remaining Directors, although less than a quorum, or by a sole remaining Director, and providing further, that the Directors may fill any vacancy that occurs more than six (6) months before the counting of the ballots at the next regular election. Each Director so elected shall hold office until the next regular election, regardless of whether the position being filled was previously filled during an even-year or odd-year election and until his or her successor has been named and qualified. If the position being filled would not otherwise have been up for election in the next regular election pursuant to section 4.03, then the position shall be up for election for only a one-year term, after which the position will be up for election for two-year terms as described in section 4.03.

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any Director, or if the authorized number of Directors is increased.

The Board may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or in the case of a corporation holding assets in charitable trust, has been found by a final order or judgment of any court to have breached any duty arising under the California Nonprofit Mutual Benefit Corporation Law.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

#### **Section 4.09 Place of Meetings.**

Notwithstanding anything to the contrary provided in these Bylaws, any meeting (whether regular, special or adjourned) of the Board of Directors of the Corporation may be held at any place within California that has been previously designated for that purpose by resolution of the Board of Directors or by the written consent of all the members of the Board. If no place has been designated, then the meetings will be held at the principal executive office of the corporation.

#### **Section 4.10 Regular Meetings.**

A regular meeting of the Board shall be held during the month of November, after the election of Directors is completed and the new Directors notified of their election.

#### **Section 4.11 Special Meetings.**

Special meetings of the Board of Directors may be called at any time by order of the President, of the Secretary, or of a majority of the Directors.

#### **Section 4.12 Notice of Special Meetings.**

Special meetings of the Board shall be held upon four days notice by first class mail or a forty-eight hour notice given personally or by telephone, including a voice messaging system or by electronic transmission by the corporation. The notice shall be addressed or delivered to each Director or at the Director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the Director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place at which the meetings of the Directors are regularly held.

#### **Section 4.13 Electronic Transmission.**

Any notice required by these bylaws may be made by the corporation by electronic transmission.

The notice must state the place, date and time of the meeting, and/or the means of electronic transmission by and to the corporation by which the director may participate.

#### **Section 4.14 Quorum.**

Except as otherwise provided herein, a majority of the authorized number of Directors shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the Directors in office shall constitute a quorum, provided such

majority shall constitute either one third of the authorized number of Directors or at least two Directors, whichever is larger, or unless the authorized number of Directors is only one. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Except as the Articles of Incorporation, these Bylaws and the California Nonprofit Mutual Benefit Corporation Law may provide, the act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board of Directors, provided, however, that any meeting at which a quorum was initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken shall be approved by at least a majority of the required quorum for such a meeting, or such greater number as is required by the Articles, these Bylaws or by law.

#### **Section 4.15 Participation in Meetings by Conference Telephone or Video.**

Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or other electronic transmission by and to the corporation. Participation in a meeting through use of conference telephone or electronic video screen communication pursuant to this Section constitutes presence in person at that meeting as long as all Directors participating are able to hear one another. Participation in a meeting through use of electronic transmission by and to the corporation, other than conference telephone or electronic video screen communication pursuant to this Section constitutes presence in person at the meeting so long as all Directors participating in the meeting can communicate with all of the other Directors concurrently, each Director is provided the means of participating in all matters before the board, including the capacity to propose, or to interpose an objection to, a specific action to be taken.

#### **Section 4.16 Waiver of Notice.**

Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting; or who attends the meeting without protesting, prior to the meeting or at its commencement, the lack of notice to such Director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

#### **Section 4.17 Adjournment.**

A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

#### **Section 4.18 Action Without Meeting.**

Any action required or permitted to be taken by the Board may be taken without a meeting if all Directors individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of proceedings of the Board.

#### **Section 4.19 Rights of Inspection.**

Subject to state and federal rights to privacy, every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation of which such person is a Director, for a purpose reasonably related to that person's interest as a Director.

#### **Section 4.20 Fees and Compensation.**

Directors (as such) shall not receive compensation for their services as Directors. Directors may not receive payment for personal services rendered. Directors shall not serve the organization in any capacity for which compensation is paid.

Directors may receive reimbursement for expenses as may be fixed or determined by the Board.

### **ARTICLE V COMMITTEES**

#### **Section 5.01 Committees Generally.**

- a. Committees of the Board may be appointed by resolution passed by a majority of the whole Board. Committees shall be composed of three or more members of the Board, and shall have such powers of the Board as may be expressly delegated to it by resolution of the Board of Directors, except with respect to:
  - i. The approval of any action for which the California Nonprofit Mutual Benefit Corporation Law also requires members' approval;
  - ii. The filling of vacancies on the Board or on any committee;
  - iii. The fixing of compensation of the Directors for serving on the Board or on any committee;
  - iv. The amendment or repeal of Bylaws or the adoption of new Bylaws;
  - v. The amendment or repeal of any resolution of the Board which by its

express terms is not so amendable or repealable;

- vi. The appointment of other committees of the Board or the members thereof;
  - vii. The expenditure of corporate funds to support a nominee for Director
  - viii. The approval of any self-dealing transaction, as such transactions are defined in Section 7233 (a) of the California Nonprofit Mutual Benefit Corporation Law.
  - ix. The approval of any action contrary to a directive of the Board of Directors.
- b. Any committee may be designated by such name as the Board shall specify.
  - c. The Board shall have the power to prescribe the manner in which proceedings of any committee shall be conducted. In the absence of any such prescription, the committee shall have the power to prescribe the manner in which its proceedings shall be conducted.
  - d. Unless the Board or the committee shall otherwise provide, the regular and special meetings and other actions of the committee shall be governed by the provision of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee, and copies transmitted to the Secretary and the CASE office.
  - e. The President shall be an ex-officio member of all committees with all of the rights of committee membership, except for the Elections Committee when the position of President is on the ballot.
  - f. All Committees shall be chaired by a member of the Board.
  - g. Unless a chair is designated by the Board of Directors, the President shall designate the chair of each committee.
  - h. At the first Board meeting after an election, the President shall submit to the Board for approval a list of Directors or Members, as defined in Section 3.02, to serve on a committee, subject to the provision of these bylaws.
  - i. Any committee member may be removed by the Board of Directors at any time, with or without cause.



## Section 5.02 Standing Board Committees.

The Board shall have the following standing committees:

- a. **Executive Committee.** The Executive Committee shall have full authority to act for the Board of Directors if there are less than ten (10) days within which some action must be taken and the full Board is not scheduled to meet within this period. The Executive Committee shall also serve as liaison between the Corporation and the Governor's Office, the Office of the Attorney General, and the Executive Officers of State Agencies and Departments, and will perform such other functions as determined by the Board of Directors. Subject to final oversight by the Board, the Executive Committee shall also oversee all member representation and office personnel matters. Four or more votes of the Executive Committee are necessary for all Executive Committee actions. Minutes shall be kept, and a written or oral report of any actions taken on behalf of the Corporation shall be made at the next meeting of the Board.

The Executive Committee shall consist of:

- The President,
- The Vice President,
- The Secretary,
- The Treasurer, and
- Three additional Directors selected by a majority vote of the Board of Directors.

To encourage a more representative Executive Committee, the Board may consider the agency or department in which the Directors/Officers are employed, and the job classification of each Director.

- b. **Bargaining Committee.** The Bargaining Committee is chosen each year by the Board; the President shall serve as the chair of the Bargaining Committee. No member of the committee may be removed or replaced during the year, except for good cause. Good cause shall include missing 3 or more meetings or bargaining sessions.

The Bargaining Committee shall consist of:

- The President,
- Treasurer
- Four Additional Directors,

The Board may appoint up to two additional members who may also be Directors or Officers. The Board may consider including one representative from the Judges, Hearing Officers, and Deputy Labor Commissioners Committee and one from the Small Department Committee.

The Bargaining Committee shall:

- i. Determine the timing and content of any survey of Unit 2 members regarding desired improvements in wages, hours and other terms and conditions of employment.
  - ii. Meet and confer with state management representatives regarding proposed changes in terms and conditions of employment, including any successor memoranda of understanding.
  - iii. Represent CASE in impasse resolution procedures.
  - iv. Submit any proposed Memorandum of Understanding to the Board for approval.
  - v. Conduct ratification elections among the members concerning a proposed Memorandum of Understanding if the Board has approved by a majority vote of the quorum present the proposed Memorandum of Understanding being sent to the members for ratification.
- c. **Budget, Investment, and Finance Committee.** The duties of the Budget, Investment, and Finance Committee shall be:
- i. To prepare an annual budget for adoption by the Board of Directors;
  - ii. To invest CASE reserves consistent with direction from the Board of Directors;
  - iii. And to perform such other duties as may be assigned by the Board of Directors.

The Budget and Investment Committee shall consist of:

- The Treasurer, who shall serve as chair and
  - Six Directors, at least two of whom, when possible, shall have expertise in finance and investment.
- d. **Communications Committee.** The Communications Committee shall oversee the development and operation of CASE's programs to communicate with its members, including its website, hotline, e-mail, social media, and publications. It shall develop and recommend to the Board policies concerning terms and usage and content for CASE web site, publications or media. It shall serve as editorial board for CASE publications. The Secretary shall automatically be a member of

and shall chair the Communications Committee.

- e. **Elections Committee.** The Elections Committee shall oversee the annual election of Directors and/or Officers. The Committee shall be composed of those Directors who are not standing for re-election during the next election cycle, and up to three other Members, as defined in Section 3.02(a), none of whom are candidates for either a director or officer position.

In addition to overseeing the election process, pursuant to Section 3.14(b) the Elections Committee may recommend to the Board of Directors candidates for election as Officers and Directors, and to fill vacancies, as they arise.

- f. **Bylaws and Policy Committee.** The Bylaws and Policy Committee shall periodically recommend Bylaws changes and Policy changes to the Board of Directors for action. It shall maintain and update the Bylaws and Policy files of the Board of Directors, under the direction of the Board.
- g. **Legislative Committee.** The Legislative Committee shall review and monitor pending legislation, develop recommended CASE positions on pending legislation, recommend proposed sponsored legislation to the Board of Directors, and develop and oversee policies and strategies for lobbying activities with the Legislature.
- h. **Membership Committee.** The Membership Committee shall encourage member participation at local worksites and other events as authorized or directed by the Board of Directors. It shall consult and coordinate with the CASE Executive Director to oversee, train, and educate local representatives (see Article VII). It may identify and recommend to the Board of Directors members to serve in these positions. The Membership Committee shall work with the CASE staff to develop and/or improve member benefit programs such as group insurance and discount programs.
- i. **Retirement and Benefits Committee.** In coordination with other appropriate committees this committee shall: Monitor and evaluate state and federal legislation, rules and regulations concerning retirement, health benefits, deferred compensation and other employee benefits; in coordination with the legislative committee develop and recommend to the CASE Board, CASE policies and positions on new or proposed legislation or regulations concerning retirement, health benefits, deferred compensation and other employee benefits; and monitor for CASE, the activities and recommendations of boards or committees established by DPA, PERS or other entities concerning retirement, health benefits, deferred compensation and other employee benefits.
- j. **Judges, Hearing Officers, and Deputy Labor Commissioners Committee.** The Judges, Hearing Officers, and Deputy Labor Commissioners Committee

shall identify issues of concern specific to judges and hearing officers represented by CASE; develop and recommend to the CASE Board policies and positions in the interest of the judges and hearing officers CASE represents.

- k. **Small Department Committee.** The Small Department Committee shall identify issues of concern specific to small departments CASE represents with fewer than 50 bargaining unit 2 (R02) employees; develop and recommend to the CASE Board policies and positions in the interest of the departments CASE represents with fewer than 50 bargaining unit 2 (R02) employees.

### **Section 5.03 Ad-hoc Committees.**

The Board of Directors may also establish ad-hoc committees for special purposes as it deems necessary. Ad-hoc committees shall have the authority to recommend actions or policies to the Board of Directors, or to the Executive Committee when urgent action is required, and to implement such actions or policies as directed by the Board of Directors or the Executive Committee. Ad-hoc committees shall have no authority to act on behalf of the organization except as expressly granted by action of the Board of Directors or the Executive Committee.

## **ARTICLE VI OFFICERS**

### **Section 6.01 Officers.**

The officers of the corporation shall be a President, a Secretary, a Vice President and a Treasurer. The corporation may also have, at the discretion of the Board of Directors, such other officers as may be appointed in accordance with the provisions of Section 3 of this Article. No officer may serve concurrently in another officer position.

### **Section 6.02 Election.**

The Members as defined in Section 3.02(a) shall elect the President, Vice President, Secretary, and Treasurer every odd-numbered year as provided in Section 3.14. All other officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen annually by, and shall serve at the pleasure of, the Board of Directors, subject to the rights, if any, of an officer under any contract of employment. Each officer shall hold his office until he or she resigns, is removed, or becomes otherwise disqualified to serve, or until his or her successor is elected and qualified.

### **Section 6.03 Subordinate Officers.**

The Board of Directors may appoint, and may empower the President to appoint, other officers as the business of the corporation may require, each of whom shall hold office

for such period, have such authority, and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

#### **Section 6.04 Removal and Resignation.**

Any officer elected by the members pursuant to Section 3.14 may be removed by the Board, with cause, in the manner set forth in Section 4.06. Such an officer may be removed, either with or without cause, at any time by a two thirds vote of the Members as defined in Section 3.02(a). Any other officer may be removed, with or without cause, by a two-thirds (2/3) vote of the Directors at any regular or special meeting of the Board, or by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time, without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party, by giving written notice to the Board of Directors, or to the President, or to the Secretary of the corporation. The resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

#### **Section 6.05 Vacancies.**

A vacancy in any officer position shall be filled by either a special election or by election by the directors, as determined by the Board. Each officer elected by the directors shall hold office until the next regular election, regardless of whether the next regular election occurs in an even- or an odd-numbered year. If the next regular election occurs in an even-numbered year, the officer position shall be up for election for only a one-year term, after which the position will be up for election for two-year terms as described in section 4.03.

#### **Section 6.06 Inability to Act.**

In the case of absence or inability to act of any officer of the corporation and of any person herein authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer, or any director or other person whom the Board may select.

#### **Section 6.07 President.**

The President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the activities and Officers of the corporation. The President shall preside at all meetings of the Board of Directors. The President shall be chair of the Bargaining Committee, shall be ex-officio a member of all other standing committees, including the Executive Committee, if any, and shall have the general powers and duties of

management usually vested in the office of a President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

#### **Section 6.08 Vice President.**

In absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by the Board of Directors or the Bylaws.

#### **Section 6.09 Secretary.**

The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at the Board and committees' meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California, the original and a copy of the corporation's Articles and Bylaws, as amended to date. The Secretary shall be a member of and shall chair the Communications Committee.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as prescribed by the Board.

The Secretary shall keep or cause to be kept at the principal office of the Corporation, a Membership Register, or a duplicated Membership Register, showing the names of the members and their addresses.

The Secretary shall also keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board may order, of all actions taken by the members, whether at a meeting or by written ballot. The Secretary shall give, or cause to be given, all notices to members, deliver or cause to be delivered all ballots, and any other communications to members required by these Bylaws.

#### **Section 6.10 Treasurer and Chief Financial Officer.**

The Treasurer shall be the Chief Financial Officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation. The books of account shall at all reasonable times be open to inspection by any Director. The Treasurer shall be a member of, and shall Chair the Budget, Investment and Finance Committee.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with depositories designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and the Directors, whenever they request it, an account of all of his or her transactions and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

## **ARTICLE VII LOCAL REPRESENTATIVES**

### **Section 7.01 Definition.**

- a. A local representative is a Member as defined in Section 3.02(a) who represents CASE and is appointed by and serves at the pleasure of the Board. A local representative has only those powers which are specifically delegated by the Board. The Board of Directors may adopt policies to provide for different classes of local representative and may establish appropriate titles, qualifications, responsibilities, and methods of appointment for each.
- b. A local representative will receive and read email on a non-state personal email account, disseminate information to members at the worksite, participate in recruitment activities, advise CASE of new hires, and relay important information to CASE.

### **Section 7.02 Term.**

Each local representative serves at the pleasure of the Board and may be discharged as a local representative, with or without cause, by a vote of the Board at any meeting without prior notice.

## **ARTICLE VII CONFLICTS OF INTEREST**

### **Section 8.01 General.**

All conflicts of interest and even the appearance of conflict of interest must be avoided by all personnel, board members, consultants and those who provide services or furnish goods to the organization. Policies developed by the Board to implement this provision are material to the operation of this organization, and shall be carried out fully.

### **Section 8.02 Directors May Not Be Employees.**

No Director shall be an employee or shall be related to an employee. A former employee is not eligible to serve as a Director until he or she has been separated for one year from the organization. Relatives for purposes of this section shall include parents, parents in law, sons, daughters, spouses, domestic partners, brothers, sisters, aunts, uncles, nieces, nephews, grandparents, and brothers-in-law and sisters-in-law. No former Director shall be eligible to be employed by the organization for one year from his or her service as a Director.

## **ARTICLE IX INDEMNIFICATION OF AGENTS OF THE CORPORATION**

### **Section 9.01 Definitions.**

For purposes of this article, "agent" means any person who is or was a Director, officer, employee or other agent of this corporation, or is or was serving at the request of this corporation as a Director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative or investigative; and "expenses" includes, without limitation, all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

### **Section 9.02 Successful Defense by Agent.**

To the extent that an agent of CASE has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expense actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him/her, then the provisions of Sections 9.03 through 9.05 of this Article shall determine whether the agent is entitled to indemnification.

### **Section 9.03 Actions Brought by Persons Other than CASE.**

Subject to the required findings to be made pursuant to Section 9.05 of this Article, CASE shall indemnify any agent who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, CASE, or by an officer, director or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Corporations Code Section 5233, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trust, by reason of the fact that such a person is or was an agent of CASE, for all expenses, judgments, fines, settlements,



and other amounts actually and reasonably incurred in connection with the proceeding.

#### **Section 9.04 Actions Brought on Behalf of CASE.**

- a. **Claims Settled Out of Court.** If any agent settles or otherwise disposes of a threatened or pending action brought against that agent by or on behalf of CASE, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding.
- b. **Claims And Suits Awarded Against Agent.** CASE shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of CASE by reason of the fact that the person is or was an agent of CASE, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:
  - i. The determination of good faith conduct required by Section 9.05 of this Article is to be made in the manner provided for in that section; and
  - ii. Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court determines the appropriate amount of expenses to be reimbursed, unless the amount is agreed to by CASE and the affected parties.

#### **Section 9.05 Determination of Agent's Good Faith Conduct.**

The indemnification granted to an agent in Sections 9.03 and 9.04 of this Article is conditioned on the following:

- a. **Required Standard of Conduct.** The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner believed to be in the best interest of CASE, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner reasonably believed to be in the best interest of CASE or that he had reasonable cause to believe that his conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his/her conduct was unlawful.
- b. **Manner of Determination of Good Faith Conduct.** The determination that the

agent did act in a manner complying with Paragraph (a) of this Section shall be made by:

- i. The Board, by a majority vote of a quorum consisting of directors who are not parties to the proceeding; or
- ii. The court in which the proceeding is or was pending. Such determination may be made on application brought by CASE or the agent or the attorney or other person rendering a defense to the agent, whether or not the application of the agent, attorney, or other person is opposed by CASE.

### **Section 9.06 Limitations.**

No indemnification or advance shall be made under this Article, except as provided in Sections 9.02 or 9.05(b) (ii), in any circumstance when it appears:

- a. That the indemnification of advance would be inconsistent with a provision of the Articles of Incorporation, a resolution of the members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- b. That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

### **Section 9.07 Insurance.**

The corporation shall have the power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this Article.

## **ARTICLE X RECEIPT, INVESTMENT AND DISBURSEMENT OF FUNDS**

### **Section 10.01 Receipt of Funds.**

The corporation shall receive all monies and/or other properties transferred to it for the purposes for which the corporation was formed (as shown by the Articles of Incorporation). However, nothing contained herein shall require the Board of Directors to accept or receive any money or property of any kind if it shall determine in its discretion that receipt of such money or property is contrary to the expressed purposes of the corporation as shown by said Articles.

### **Section 10.02 Investment of Funds.**

The corporation shall hold, manage and disburse any funds or properties received by it from any source in a manner that is consistent with the expressed purposes of this corporation.

### **Section 10.03 Disbursement of Funds.**

No disbursement of corporation money or property shall be made until it is first approved by the President of the corporation or by the Treasurer or by the Directors. However, the Directors shall have the authority to appropriate specific sums to fulfill the objects and purposes for which the corporation was formed and to direct the officers of the corporation from time to time to make disbursements to implement said appropriations.

### **Section 10.04 Instruments in Writing.**

All checks, drafts, demands for money and notes of the corporation, and all written contracts of the corporation shall be signed by such officer or officers, agent or agents, as the Board of Directors may from time to time by resolution designate.

## **ARTICLE XI CORPORATE RECORDS AND REPORTS**

### **Section 11.01 Records.**

The Corporation shall maintain adequate and correct accounts, books and records of its business and properties. All such books, records and accounts shall be kept at its principal place of business in the State of California, as fixed by the Board of Directors from time to time.

### **Section 11.02 Inspection of Books and Records.**

The books of account, and minutes and proceedings of the members and the Board, and of executive committees of the Directors of this corporation shall be open to inspection upon the written demand of any Member as defined in Section 3.02(a-d) at any reasonable time, for a specifically stated purpose reasonably related to his or her interests as a Member as defined in Section 3.02(a-d), and shall be exhibited at any time when required by the demand of any members' meeting.

If a Member as defined in Section 3.02(a-d) makes a written demand at a reasonable time, for a specifically stated purpose reasonably related to his or her interests as a Member as defined in Section 3.02(a-d) to see the Membership Register, the corporation may, within ten business days after receiving such a demand, deliver to the Member as defined in Section 3.02(a-d) making the demand, a written offer of an

alternative method of achieving the purpose identified in the demand, without providing access to or a copy of the membership list.

Subject to state and federal rights to privacy, every Director shall have the absolute right at any reasonable time to inspect all books, records, documents of every kind, and the physical properties of the Corporation, and also of its subsidiary organizations, if any.

Section 11.03 Certification and Inspection of Bylaws.

The original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, shall be open to inspection by the Member as defined in Section 3.02(a-d) and Directors of the Corporation at all reasonable times during office hours.

## **ARTICLE XII OTHER PROVISIONS**

### **Section 12.01 Endorsement of Documents; Contracts.**

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between this corporation and any other person, when signed by any one of the President or the Vice President, and any one of the Secretary or the Treasurer of this corporation shall be valid and binding on this corporation in the absence of actual knowledge on the part of the other person that the signing Officers had no authority to execute the same.

The Board of Directors, except as otherwise provided in the Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation. This authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, and except as provided in this Section, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or agreement, or to pledge its credit, or to render it liable for any purpose or to any amount.

### **Section 12.02 Representation of Shares of Other Corporations.**

The President or any other officer or officers authorized by the Board or the President are each authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either by any officer in person or by any other person authorized to do so in proxy or power of attorney duly executed by the officer.

### **Section 12.03 Construction and Definitions.**

Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws.

#### **Section 12.04 Amendments.**

These Bylaws may be amended by repeal and new and additional Bylaws may be made from time to time at any time by a majority of the members or by the written assent of the members. Subject to right of the members to amend or repeal, these Bylaws (other than a Bylaw or amendment thereof changing the authorized number of Directors, or an amendment to Section 3.17) may be amended or repealed by a two-thirds (2/3) vote of the Board in the exercise of the power granted to the Board in these Bylaws.

#### **Section 12.05 Record of Amendments.**

Whenever an amendment or new Bylaw is adopted, it shall be copied in the Book of Minutes with the original Bylaws, in the appropriate place. If any Bylaw is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in the Book.